

Overview of Solicitation



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*Pre-Application Conference for the Medicare Prescription Drug Discount Card
and Transitional Assistance Program – December 18 & 19, 2003*

Overview of the Solicitation

- Timeline for implementation of initiative.
- Qualifications, Application Requirements:
 - Card Sponsor Organization, Structure and Experience
 - Formulary and Discounts
 - Service Area and Access to Pharmacies
 - Inside / Outside the Scope of Endorsement
 - Program Administration and Customer Service

Timeline

- *December 23, 2003* - Answers to Conference questions posted on CMS Web site.
- *January 30, 2004* - Applications due.
- *End of March, 2004* - Finalize and sign approval agreements.
- *April 1, 2004* - Sponsor information & outreach may begin.
- *April 30, 2004* - CMS launches price compare website.
- *May 3, 2004* - Card sponsors may begin enrollment.
- *June 1, 2004* - Discounts and Transitional assistance begin to flow.

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Card Sponsor Organization, Structure & Experience



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Card Sponsor Organization, Structure & Experience

- Non-governmental single legal entity as applicant
- Applicant or subcontractor must have 3 years private sector experience in the U.S. in:
 - Claims adjudication and processing at point of sale
 - Negotiation w/ pharmaceutical manufacturers and others for rebates, discounts, other price concessions on prescription drugs
 - Administration and tracking of individual enrollee health care subsidy or benefit in real time.

Card Sponsor Organization, Structure & Experience

- Applicant or subcontractor must at time of application operate drug benefit, drug discount card, or low-income drug assistance program, or similar program that serves at least 1 million covered lives.

Card Sponsor Organization, Structure & Experience

- Applicant provides evidence of contracts among entities combined to meet years experience, covered lives, pharmacy access, discount and rebate negotiation, enrollment and transitional assistance eligibility, transitional assistance administration, grievance process, information and outreach materials, and call center.

Card Sponsor Organization, Structure, and Experience

- Applicant must demonstrate satisfactory record of business stability and integrity for itself or subcontractors related to program.
 - Summary of history, structure, ownership
 - Most recent audited financial statements
 - Financial ratings, if any, for past three years
 - Demonstrate total assets greater than total unsubordinated liabilities, and sufficient cash flow to meet obligations as they come due
 - Past or pending investigations and legal actions, or matters subject to arbitration from last 3 years related to health care